

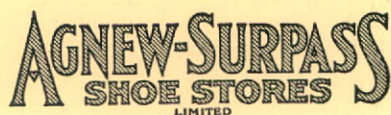
AGNEW-SURPASS
SHOE STORES
LIMITED

Annual Report
1933

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FIFTH
Annual Report

TO THE SHAREHOLDERS

for the Fiscal Year ending

MAY 31st, 1933

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BRANTFORD, ONTARIO
CANADA

FIFTH
ANNUAL REPORT OF THE DIRECTORS
of
AGNEW-SURPASS SHOE STORES
LIMITED

BRANTFORD, JULY 10TH, 1933

TO THE SHAREHOLDERS:—

Your Directors submit herewith Consolidated Balance Sheet as of May 31st, 1933, and Profit and Loss and Surplus Statement for the year ending on that date of Agnew-Surpass Shoe Stores, Limited and its subsidiaries.

The past year has been the most unsatisfactory in sales volume and profits since the formation of the Company, but as this period covered the last twelve months of the depression, we may consider ourselves fortunate in the manner in which we have come through the four years of declining business, depreciating values, and the difficulties of controlling overhead expenses under such conditions.

While we had to draw on Surplus for the first time to the extent of slightly over ten thousand dollars to cover increased Taxes and preferred dividend requirements for the year, the financial condition of the Company is unimpaired; our liquid position is higher than it has ever been; inventories have been valued in line with current market prices; the properties have been maintained in an efficient condition and the usual depreciation provided on buildings, plant, fixtures and improvements to leasehold properties.

With the view to increased efficiency, the assets of the subsidiary, John Agnew Limited, have been transferred to Agnew-Surpass Shoe Stores, Limited, and are included in the Consolidated Balance sheet; the charter of this Company will now be surrendered and it is the intention to deal similarly with the Surpass Shoe Co. Limited as soon as possible, thus the Agnew-Surpass Shoe Stores, Limited, will become the operating Company of the Retail Stores, with The John Ritchie Co. Limited, as the manufacturing subsidiary.

Sales for the year amounted to \$1,997,436.37 (after eliminating sales from factory to store companies). Gross earnings were \$101,470.41, and after deducting \$41,650.93 to cover depreciation and government taxes, there remained a Net surplus for the year of \$59,819.48. The full year's dividends have been paid on the Preferred stock, and an earned surplus carried forward of \$255,089.04.

One store was closed and two new stores opened during the year, making a total of 56 in operation as of May 31st last.

Business conditions are showing improvement in the ensuing year which we hope will continue to prevail; retail sales are running ahead of a year ago, while the factory enters the new year operating at full capacity.

A list of the cities and towns in which Agnew-Surpass Shoe Stores Limited are located is contained in this Report, and we ask our shareholders to patronise the stores of the Company for footwear requirements.

Your Directors wish to record their thanks to departmental officials, store managers and employees for their loyal support and interest taken in the affairs of the Company during the past year.

On behalf of the Board,

J. E. WARRINGTON,

President.

AGNEW-SURPASS SHOES

AND SUBSIDIARIES

THE JOHN RITCHIE COMPANY, LIMITED

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on hand and in banks.....	\$147,712.26	
Government, Government Guaranteed and Municipal Bonds, at cost (market value, \$199,303.75)	195,267.70	
Accounts and Bills Receivable, Trade.	\$76,529.97	
Advances to Employees against Commissions, etc.....	2,801.24	
	\$79,331.21	
Less Reserve for Bad Debts.	7,445.14	
	71,886.07	
Merchandise Inventories (as valued by Management).....	738,016.78	
Prepaid Expenses, Insurance Deposits and Accrued Revenue.....	11,823.10	
	\$1,164,705.91	
SUNDRY LOANS (NET)		32,283.37

FIXED ASSETS: at depreciated appraisal values (1928) plus subsequent additions at cost (except for Lasts, Dies and Patterns shown at nominal value):

Land.....	\$76,020.00	
Buildings.....	\$199,548.86	
Plant, Machinery, etc.....	94,249.80	
Furniture and Fixtures.....	157,919.91	
Store Fronts on Leased Properties...	12,552.54	
Automobiles.....	3,601.00	
	\$467,872.11	
Less Reserve for Depreciation.	139,398.24	
	328,473.87	
Lasts, Dies and Patterns (at nominal value).....	33,000.00	437,493.87

PATENTS UNDER LEASE AND PRODUCING REVENUE		15,000.00
		\$1,649,483.15

Approved:

J. E. WARRINGTON

FRANK BAUSLAUGH

Directors of Agnew-Surpass Shoe Stores, Limited.

DE STORES, LIMITED

RY COMPANIES

AND SURPASS SHOE COMPANY, LIMITED

t (as at May 31st, 1933)

LIABILITIES

CURRENT LIABILITIES:

Accounts and Bills Payable.....	\$85,411.68	
Accrued Wages and Expenses.....	16,224.03	
Provision for Government Taxes	9,113.64	
Dividends Payable.....	17,056.25	
		<u>\$127,805.60</u>

EQUITY OF MINORITY INTERESTS IN SUBSIDIARY COMPANIES:

(Shares owned by Directors as qualification).....	2,400.00
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FIRE INSURANCE RESERVE.....	25,817.78
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CAPITAL AND SURPLUS:

Capital Stock:

7% Cumulative Convertible Preferred:

Authorized, 15,000 shares of \$100.00 each:

Issued, 10,000 shares..... \$1,000,000.00

Less 265 shares held by Subsidiary

Company.....	26,500.00	
		<u>\$973,500.00</u>

Common:

Authorized, 135,000 shares of no par value:

Issued, 80,000 shares..... \$266,456.14

Less 476 shares held by Subsidiary

Company.....	1,585.41	
		<u>264,870.73</u>

Earned Surplus..... 255,089.04

1,493,459.77

\$1,649,483.15

CONTINGENT LIABILITY:

Bills Receivable under Discount..... \$ 38,968.00

AUDITORS' CERTIFICATE

We have audited the books of Agnew-Surpass Shoe Stores, Limited and its subsidiaries for the year ended May 31st, 1933, and hereby certify that, in our opinion, the foregoing Consolidated Balance Sheet correctly sets forth the financial position of the Company and its subsidiaries, as at May 31st, 1933.

THORNE, MULHOLLAND, HOWSON & McPHERSON,

Chartered Accountants.

CONSOLIDATED PROFIT AND LOSS AND SURPLUS STATEMENT

For the year ended May 31st, 1933

Gross Earnings for year.....	\$101,470.41
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Deduct:

Provision for Depreciation.....	\$30,248.42	
Provision for Government Taxes.....	11,402.51	
		41,650.93

NET SURPLUS FOR YEAR.....	\$ 59,819.48
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Add:

Surplus brought forward, June 1st, 1932.....	265,466.64
Sundry Adjustments.....	65.44
	\$325,351.56

Deduct:

Dividends on Preferred Stock.....	\$70,000.00	
Less Subsidiary Company's Portion.	1,802.50	
	\$68,197.50	
Federal Income Tax Adjustments, prior periods.....	2,065.02	
		70,262.52

EARNED SURPLUS, MAY 31ST, 1933.....	\$255,089.04
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EXECUTIVE OFFICERS

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J. ELLIS WARRINGTON
President

FRANK BAUSLAUGH
Vice-President and General Manager

K. R. GILLELAN
Secretary-Treasurer

H. H. GIBAUT
Assistant Secretary-Treasurer



BOARD OF DIRECTORS

✓

M. JOHN SHEEHY

RUSSELL D. BELL

JOHN BAUSLAUGH

J. ELLIS WARRINGTON

HAROLD A. GREENE

FRANK BAUSLAUGH

AGNEW-SURPASS SHOE STORES

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ONTARIO

BELLEVILLE	LEAMINGTON	SAULT ST. MARIE
BRANTFORD	LINDSAY	SIMCOE
166 Colborne	LISTOWEL	STRATFORD
16 Market	LONDON	SUDBURY
BROCKVILLE	MIDLAND	ST. CATHARINES
CHATHAM	NIAGARA FALLS	ST. THOMAS
CORNWALL	NORWICH	TORONTO
GALT	NORTH BAY	106 YONGE
GUELPH	OTTAWA	952 BLOOR, W.
HAMILTON	ORILLIA	2948 DUNDAS, W.
71 King, E.	OSHAWA	WALLACEBURG
177 King, E.	OWEN SOUND	WELLAND
13 Market Sq.	PARIS	WINDSOR
272 Ottawa, N.	PETERBORO	359 Ouellette Avenue
INGERSOLL	SARNIA	1410 Wyandotte St.
KINGSTON		WOODSTOCK
KITCHENER		

QUEBEC

MONTREAL	QUEBEC
1111 St. Catherine, W.	10 St. John
6869 St. Hubert	251 ½ St. Joseph

NEW BRUNSWICK

FREDERICTON
MONCTON
ST. JOHN
61 King
212 Union
677 Main

NOVA SCOTIA

AMHERST
NEW GLASGOW
TRURO
WINDSOR
YARMOUTH

Canada's Greatest Chain Shoe Stores

Here's Comfort

for tired, aching feet



"Wales"

\$7⁰⁰

Why endure foot discomfort? It is so unnecessary. "Prop-r-arch" shoes accurately follow the contour of the foot and are scientifically built to take the pressure off the nerves that run through the foot. That is why you never know foot trouble with "Prop-r-arch." They need no breaking-in.



Prop-r-arch
EXCLUSIVELY RITCHIE
Happy Feet make **HAPPY FACES!**

AT ALL
AGNEW-SURPASS SHOE STORES